



House of Commons
Education and Skills Committee

Government's and Ofsted's Response to the Committee's Sixth Report of Session 2003–04: The Work of Ofsted

Second Special Report of Session
2004–05

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The Education and Skills Committee

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Second Special Report

On 28 September 2004 the Education and Skills Committee published its Sixth Report of Session 2003–04, *The Work of Ofsted*.¹ On 20 December 2004 we received the Government's response to the Report. Ofsted's response was received on 18 October 2004. The responses are reproduced as Appendices I and II to this Special Report. A list of the conclusions and recommendations from the Committee's Sixth Report is reproduced at Appendix III.

Appendix I

Government's response to the Sixth Report from the Education and Skills Committee, Session 2003–04.

The work of Ofsted in 2003–04, Growth of Ofsted's responsibilities and Value for money

Recommendations 1, 2, 3 and 6

The growth of Ofsted responsibilities over time has posed and will continue to pose challenges for Ofsted's management, as David Bell's response has acknowledged. It also makes it complicated to identify real trends in costs and value for money. Ofsted's overall costs reduced from 1996 to 2000, but have increased substantially since, in line with significant additions to its remit for 16–19 education in colleges, and the registration and inspection of child care. The Ofsted response notes that matching education inspection costs with public investment in education gives a very different picture from a more general comparison.

It is important to maintain downward pressure on costs. Ofsted's recently published Strategic Plan for 2005–2008 includes a target to improve the efficiency of Ofsted and to reduce the overall costs of the inspectorate by 20% by 2008, notwithstanding the new responsibilities for children's services under the Children Act. Ofsted staffing is planned to reduce by some 500 posts, with remaining staff shared among three region offices and a smaller head office.

The independent evaluation report to which the Committee refers, 'Improvement through inspection', is the first attempt of which we are aware by any inspectorate to undertake a genuine 'value for money' study. It looked into the full costs and benefits of the system, including the demands made on institutions by the inspection process, and the value placed by various stakeholders on the outcomes of inspection. We welcome the Committee's continuing interest in this work, as inspection continues to evolve, and we will continue to work with Ofsted on reducing the demands of inspection and increasing the value of its outputs, and the efficiency with which they are delivered. We would however endorse David Bell's words of caution about the search for any simple causal links

¹ Sixth Report from the Education and Skills Committee, Session 2003–04, *The Work of Ofsted*, HC 426.

in policy areas where there is rapid and simultaneous change in a number of important variables.

Every Child Matters

Recommendation 4

The project to develop new integrated inspection arrangements for children's services is formidable. But the debates on the Children Act made clear that inspection reform is an essential part of the whole system change which is necessary to secure the outcomes set out in the Every Child Matters Green Paper and subsequent documents.

The inspectorates and commissions charged with working together under the Act have made good progress, and on 6 December launched a full consultation on the draft Framework for Inspection of Children's Services, joint area reviews, and the annual performance assessment of councils' services for children. Development is on course for the programme of joint area reviews to start in September 2005.

The Act gives Ofsted the lead role in developing the new arrangements. Clarity of accountability requires a single lead body, although the success of the operation will depend on all the inspectorates working together. The joint work which has gone into the development of the consultation papers has been an extremely encouraging start to this process.

Ofsted was selected as the lead body as the only inspectorate whose focus is almost entirely on the inspection of children's services. Ofsted is responsible for inspecting not just schools but nursery education, day care, local authorities role in education, Connexions, youth services and further education in colleges provision—and so is well-placed to lead on this work. For other inspectorates such as CSCI and the Healthcare Commission, children's services are a minority, though important, part of their remit.

The Committee notes that it has been a challenge to create an inspection regime which strikes the right balance between the need for thoroughness and the need to limit the demands on services, and the right balance between a focus on services that is proportionate to risk, but also ensures that standards are maintained in all services. These tensions, inherent in any inspection regime, are the more apparent when the scope is as wide as that for Joint Area Reviews.

These issues have been the subject of rigorous debate by the inspectorates working up proposals for the reviews, and we believe that the proposals achieve a sensible balance. The proposals identify 42 key judgements on service contributions to outcomes for children, which are intended to span the spectrum of children's services. They envisage, however, that many of these 42 judgements can be made from analysis of performance data, self-assessment and documents, with no more than 10 selected for fieldwork. The intention is similarly that self assessment will not cover every key judgement.

We are confident that implementing the new arrangements will not increase Ofsted's size or costs. Joint area reviews will be integrated into Ofsted's structures and replace several separate inspection programmes currently operated by Ofsted, in some cases alongside other inspectorates: inspections of local education authorities, Connexions services, area-

wide provision for students aged 14–19 and youth services. They will mean that there are fewer separate inspections to schedule and fewer separate inspection reports to finalise and publish. The consultation proposals for joint area reviews would mean that they would involve significantly less fieldwork for Ofsted than the sum of fieldwork for the inspection programmes they replace.

There will be opportunity to explore these issues more fully during the consultation period, which will run until 28 February 2005.

School inspections and School improvement

Recommendations 7, 8 and 9

Under the New Relationship with Schools proposals (DfES and Ofsted 2004: A New Relationship with Schools (PP/D16/(5585)/0604/22) all schools will have a School Improvement Partner (SIP). The SIP will be a “critical friend”, in many cases a serving head, who will act as the conduit between central government, the LEA and the school. The Partner will help set targets and priorities and identify support needed.

There will be a continuing series of contacts between each school and its SIP. Central to these contacts will be a discussion of how the school’s plans respond to Ofsted findings and other evidence. If the school needs help to respond to the issues, the SIP will help the school find appropriate external support, whether from the LEA or from other agencies. And, in the most extreme cases, the SIP will be involved in formal intervention.

In many cases, LEAs already provide or secure systematic follow-up to Ofsted reports. To make such follow-up universal, Capita, through its new contract with the DfES, will operate a regional infrastructure which will work with LEAs to ensure that the New Relationship with Schools operates effectively everywhere. Effective operation includes securing follow-up to negative Ofsted reports.

The Education Bill which contains the planned changes to school inspection legislation includes continuing provisions to require local authorities to draw up action plans to support schools requiring special measures or in need of significant improvement.

The Committee mentions the issue of schools facing difficulties falling into a downward spiral. The Government is conscious of the risks of such schools being required, because of the availability of places, to take more than their fair share of the most challenging pupils. That is why we have issued guidance to help LEAs, schools and Admission Forums, develop and agree protocols to ensure that no school is required to take more than their fair share of pupils excluded from other schools.

The guidance emphasises that all schools share a collective responsibility to ensure that these children, when they are ready to return to school are admitted to a suitable school as quickly as possible under the terms of the protocol, including schools that are technically full. The protocols will also need to take into account that some pupils may need to be provided with alternative provision, such as in a Pupil Referral Unit, for a period of time before they can be successfully re-integrated into mainstream schooling.

Parents (reliability of reports)

Recommendation 10

Like Ofsted, we share the Committee's desire to maintain and improve the reliability of reports. The changes to school inspection proposed under the Education Bill will mean that HMCI will be directly accountable for all reports, and Ofsted is developing new quality assurance procedures to ensure that reports are fit for purpose and that standards are consistently high. Ofsted is consulting parents during the trials of the new inspection model to ensure that the new style reports are meeting their needs and we have asked David Bell to keep us informed about these consultations.

The move to three-yearly inspections of schools will ensure that reports give a more up-to-date assessment. All reports will continue to comment on the progress made since the previous inspection. They will also give a clear view of the capacity of the school to improve, so that schools are not placed in special measures when (for example) a new management team is already in place, which is tackling the problems identified and is clearly demonstrating that they are making progress in resolving them. This will be more helpful for parents than a simple judgement about the current position of the school.

More generally, the Education Bill also requires the publication of an annual School Profile, which will contain clear and readily understood information for parents and other stakeholders about the performance of each school.

Policy

Recommendation 11

We welcome the Committee's recognition of the important role that Ofsted has to play in the evaluation and development of policy, particularly in the area of more integrated children's services where we need to identify and share best practice as local areas work to make a reality of the Every Child Matters vision.

Ofsted's programme of subject and thematic reports have been and will remain an important source of independent evidence for those developing and evaluating policy, helping to inform future direction. We are in the process of considering with Ofsted their programme of reviews for the next three years and will be looking to ensure that this feeds into the Departmental priorities and our 5 year strategy.

Early years: disclosure of information

Recommendation 12

Following the consultation mentioned in Ofsted's response, new disclosure regulations were laid before Parliament on 8 December 2004 and are due to come into force on 31 December 2004. They will place a duty on Ofsted to give parents on request information about the child care provider they use.

New national standards regulations, imposing additional requirements on childcare providers in relation to complaints investigation and records, will be finalised in 2005.

In addition, as Ofsted indicated in their response, from 1 November 2004 Ofsted is including a section in its inspection reports summarising information on complaints about the childcare provider.

A New relationship with schools

Recommendation 14

a) Self-evaluation

Like the Committee, we recognise the important role that regular and honest self-evaluation can play in school improvement and accountability. We also recognise that the self-evaluation process must lead to judgements about areas of strength and weakness; and that it would not be appropriate to disadvantage schools for identifying these aspects of their provision.

School self-evaluation is an essential driver of school improvement and a key component of school accountability. It enables schools to:

- identify and make judgements about their own strengths and weaknesses;
- decide how best to plan and act to share their strengths within the school and with others and how to address any problem areas;
- be in a powerful position of self-knowledge when accounting for their decisions and actions.

Self-evaluation is therefore a key strand within the New Relationship with Schools. The New Relationship is founded on trusting the professional judgements of leadership and management teams, who know their schools best. They will be judged on the outcomes from self-evaluation. It is in their interests to have effective processes that feed into the completion of the Self Evaluation Form (SEF) that will be the starting point of proposed future Ofsted inspections.

Many schools and LEAs have already developed strong routines of self-evaluation, but others have not. There is a lot of variation in the effectiveness, regularity and depth with which schools review their work.

The approach in the New Relationship trials is to help make strong self-evaluation common practice in all schools. Schools will be free to use whatever process they choose for self-evaluation. We do not want to weigh down school self-evaluation with excessive bureaucracy or prescription. But schools will be expected to have available a summary of their self-evaluation and evidence on the SEF.

As well as its use in discussion with the school improvement partner, this self-evaluation will be the basis for the shorter sharper Ofsted inspections. But there is an important distinction between the completion of the SEE and the school self-evaluation process. The SEE is a summary document, derived from whatever process the school uses for its own purposes to evaluate its performance.

DfES, jointly with Ofsted, intends to develop minimal central guidance, which will set out guidance on how schools can judge whether they are doing self-evaluation well. It will include:

- six key principles or “acid tests” of effective self-evaluation;
- Ofsted’s self-evaluation form (SEE);
- guidance on how to complete the SEE.

Draft guidance is currently under development, with a view to finalising it by Spring 2005.

The new self-evaluation arrangements are part of the New Relationship trials involving eight LEAs and 92 primary and secondary schools. These structured trials will run until July 2005 during which time the Department will work in partnership with the schools and local authorities to develop and test out various elements, including self-evaluation, to identify the best approaches.

During the New Relationship trials, all schools are completing the new Ofsted Self-Evaluation Form (SEE) and have been asked to provide feedback on how it fits with their overall self-evaluation processes. The National Foundation for Educational Research (NEER) are doing a specific research exercise to identify the different tools which schools use for self-evaluation, and to gauge what further support needs to be offered by Ofsted and/or the DfES to support effective self-evaluation. We are also asking the School Improvement Partners operating this year for their views of the effectiveness of self-evaluation in schools, with a view to making recommendations for the future about how the processes can be improved.

We recognise that for the new inspection regime to be successful, it needs to be founded on honest self-evaluation, and only by testing it more fully with schools can we make informed judgements about how helpful this process is for driving school improvement.

b) 14–19 area inspections

Ofsted’s response noted that it would no longer be sustainable to run 14–19 area inspections alongside the new joint area reviews and Ministers have subsequently agreed with Ofsted that separate 14–19 area inspections should stop in summer 2005, after which joint area reviews are to be introduced.

The Department is looking at how best to incorporate the benefits of area inspection into the new arrangements. In addition the LSC’s strategic area reviews will be running alongside inspection, ensuring high quality configuration of provision and introducing changes to improve the system.

The revised Common Inspection Framework, currently out for consultation, includes the requirement that inspectors assess how effective are the links made with other providers, services, employers and other organisations to promote the integration of care, education and any extended services to enhance learning.

c) Further Education

The introduction of new inspection arrangements for the post-16 sector is planned for April 2005, for those providers for whom ALL is the sole inspectorate (mainly work-based trainers), and for September 2005 for FE college inspections in which ALL and Ofsted are jointly engaged, although Ofsted has the lead under the Learning and Skills Act 2000.

All colleges will be inspected by the end of the academic year 2008–09 but better performers will be subject to a lighter touch. The Common Inspection Framework has been revised to reflect these changes. The revisions are currently the subject of public consultation, with a deadline of 31 January.

The proposed changes mirror those planned for school inspection regime. There will be an estimated 50% reduction of inspection days for colleges compared to the current inspection cycle. This combined with a reduction in the period of notice given to an institution will substantially reduce the demands which inspection places upon providers.

The new arrangements focus inspection more closely on the agenda for improvement through an annual assessment of performance and encourage the use and development of self-assessment to improve the quality of provision. Ofsted will also introduce periodic national surveys of areas of learning so we can still get a balanced picture of standards in curriculum areas. Because of the more variable quality of the FE sector the new arrangements for FE take account of a college's track record of quality and performance to determine the scope and frequency of inspection. Inspection will be proportionate to risk.

Appendix II

Ofsted's response to the Sixth Report from the Education and Skills Committee, Session 2003-04.

The Work of Ofsted in 2003–04 and Value for money

Recommendations 1 and 6.

The imperative that Ofsted must show that its inspections make a significant improvement in the settings it inspects and thus demonstrate value for money is not reflected in the legislation which sets Ofsted's remit, which is essentially contained in Section 2 of the School Inspections Act 1996. This, in summary, gives the responsibilities of Her Majesty's Chief Inspector as being:

- to keep the Secretary of State informed about specified aspects of education;
- to advise the Secretary of State;
- to maintain and keep under review a system of inspection.

Nonetheless, I agree strongly with the Select Committee's view. Ofsted's commitment was reflected in the strapline which was adopted very early on: *Improvement through inspection*. It is even more strongly reflected in our new strapline: *Better education and care through effective inspection and regulation*. I recognise, of course, that this needs to be more than an aspiration; and believe that Ofsted's history supports this.

That is why, in 2003, I commissioned a study to review the impact Ofsted had made in its first decade. As the Committee notes, the report of this study was published in July 2004. (The Committee's report implies that it was only published electronically: hard copies were in fact distributed to, among others, the Select Committee.)

Improvement through inspection was, as the introduction by Professor Geoff Whitty makes clear, a major evaluation project with a strong external element. Not only was Professor Pam Sammons of the London University Institute of Education one of the report's joint authors, but care was taken by the authors throughout to seek and draw on the views of a wide range of external stakeholders. I believe that few, if any, similar bodies have commissioned and made publicly available such a wide-ranging review of the impact of their work. I accept, of course, the Committee's view that we need to build on this initial assessment.

In judging value for money, we need to look both at the cost of Ofsted's operation, and the outcomes of its work. The costs are readily measured, have been scrutinised by the Select Committee annually, and will be subject to rigorous control over the next three years, as we plan to deliver a very substantial budget reduction. These costs, and those on the institutions and individuals we inspect or regulate, are of course determined in large part by the requirements placed on us by Parliament and by the Secretary of State. But our proposals for shorter, sharper inspections, with reduced notice, in almost all aspects of our

work, are designed amongst other things to keep to the very minimum the burden on those we inspect.

The table at paragraph 45 of the Committee's Report usefully seeks to show the budgets of a number of inspectorates as a proportion of total public expenditure on the relevant service. While we recognise that the source of the data is a Treasury analysis, we believe that—at least in the case of Ofsted—the figures can be analysed differently. The relevant public expenditure the Treasury calculation assumes is the approximately £40 billion for education. Of Ofsted's budget for 2003–04 of £199 million, £80 million was accounted for by the regulation and inspection of childminders and other childcare: that provision is very largely made through the private sector. If therefore that sum is removed from Ofsted's budget, as not relevant to the comparison with public sector education costs, Ofsted's budget as a proportion of the relevant public expenditure is less than 0.3%. This is at or below the average figure for the inspectorates shown by the Select Committee. Over the next three years, Ofsted's budget will reduce as expenditure on education is planned to rise. By 2007–08, therefore, Ofsted's costs as a proportion of the relevant public expenditure will be still lower.

I welcome the Committee's proposal to explore with me “the potential for Ofsted to develop its first self-assessment document into a more rigorously quantified evaluation”. We shall certainly be seeking to develop as rigorous an ongoing evaluation of Ofsted's work as possible. The Improvement through inspection report however draws attention to the difficulty of establishing direct causal links between inspection and quantifiable educational outcomes. The same could, of course, be said of other interventions—examination reform, national policies, changes in funding, for example. Where a significant number of inputs impact on outputs and outcomes, it is always going to be difficult to produce a “rigorously quantified evaluation” of the impact of any one of the inputs. Nonetheless, we are keen to do so where practicable; we shall take note of the Committee's views in building evaluation into future arrangements for inspection.

For example, the draft framework for the inspection of children's services proposes that, with other inspectorates, Ofsted should evaluate the contribution of inspection to:

- tangible improvements in services for children and young people, and/or their cost-effectiveness;
- services working together more effectively;
- outcomes for children and young people in an area improving overall and in their consistency across different groups, including those at risk of achieving poor outcomes;
- the development of national policy and action taken to implement it.

Growth of Ofsted's responsibilities

Recommendation 2

As the Committee will be aware from the Treasury's Report on the Spending Review 2004, published in July, Ofsted will in fact be reducing in size over the next three years. The Treasury's paper shows a planned staffing reduction of 500 employees by 2007–08. In

managing this process, and in making organisational changes to Ofsted in order to deliver the new inspections and regulatory activity, we shall be paying close attention to the messages of our 2004 staff survey, to which the Committee draws attention.

Ofsted's Board takes extremely seriously the findings of this survey, and is working closely with Ofsted's trade unions on ways of addressing the issues highlighted. We have undertaken additional focused research to understand the root causes of the survey's findings in relation to issues such as stress, bullying and harassment. It is however important to recognise that the survey was deliberately designed to be carried out little more than a year after Ofsted's first staff survey, which itself was carried out when the organisation was in major transition following the addition of early years responsibilities. Ofsted has sought to address urgently the key issues identified in that first survey; significant improvements in major aspects reported in the second survey show that we have done so successfully. Our focus is now on the more 'cultural' issues identified in the second survey: we have given staff a commitment that our progress here will be measured in a third survey. Ofsted's trade unions have specifically welcomed the very open approach we have taken to identifying and addressing matters of concern to staff.

At the heart of the structural changes we shall be making is the development of a unified regional structure for all our inspection and regulatory activity. I am quite clear that this will strengthen the ability to manage Ofsted effectively as a single organisation, as the Committee recommends.

Recommendation 3

Taken overall, I believe that Ofsted has a good record in seeking and recruiting a diverse range of staff.

Annexes 1 to 3, attached, show the composition of our workforce and compare our position with that of the Civil Service as a whole. Key headlines include the fact that:

- the proportion of women working for Ofsted is high; the proportion of women at senior grades (Band A, HMI and SCS) has risen from 43% to 47.5% over the past year;
- the proportion of ethnic minority staff working for Ofsted has risen from 12.4% to 13.1% over the past year. This increase has been apparent throughout all grades, other than at band C level;
- Ofsted compares favourably with the Civil Service as a whole in its employment of all "under-represented" groups (women, ethnic minorities and disabled people).

So far as inspectors are concerned, we start from the composition of the pools from which we draw our staff: people with strong professional experience of child care in the case of Child Care Inspectors (CCIs), and senior staff from schools, colleges and local authorities in the case of HMI. In the case of CCIs, therefore, it is not surprising that our workforce is predominantly female. Our recruitment campaigns make it clear that we encourage applications from men. Employees from ethnic minority groups currently account for 9.4% of all CCIs.

In the case of HMI, we have made very significant progress in recruiting more female inspectors. During the past year the proportion of female HMI has increased from 40.9% to 44.4%. At the same time, we have been working hard to increase recruitment of HMI from ethnic minority backgrounds: these now account for 4.9% of the HMI group, a figure which I wish to see increase. The workforce of contracted inspectors has not shown the degree of diversity which I would wish to see for the future. I welcome the fact that contractors' early ideas for delivering the new format inspections show a willingness to engage with the structure of this workforce; we shall specifically draw to their attention the Committee's remarks, and seek action to address them.

Every Child Matters

Recommendation 4

Along with my colleagues in the other inspectorates and commissions involved, I share the Committee's appreciation of the difficulties of creating a new approach to inspecting services for children and young people. At the same time, we know that there is a great prize to be had if a new approach can help to improve outcomes for children and young people by focusing on how services work together to safeguard their welfare and promote their well-being.

Making the inspection process manageable for the services under inspection is an issue that we cannot duck. As the Committee's report says, the process must help, rather than hinder, their efforts to meet the challenges set by Every Child Matters and the Children Bill. The recommendations of the Office of Public Service Reform's paper, *Inspecting for Improvement*, stress the importance of inspection being tailored to need and proportionate to risk. As the Committee's report implies, there is a tension between this principle and the desire to cover all services in some depth so as to provide assurance of their quality.

The approach we are taking in developing joint area reviews calls for a first stage of scrutiny of data and other information about a wide range of services as a basis for making decisions about what additional fieldwork, if any, is needed to make a judgement about their contribution and quality. Fieldwork will only be undertaken if there is no other way of gathering the evidence needed, or where it is needed to validate the picture painted by data and other information. This will not exclusively be where there are indications of weaknesses in critical services. In some circumstances, we may need to commission a follow-up inspection to establish a full picture of why things are as they are, or to track progress in meeting earlier recommendations. The unified annual performance assessment of council social care and education functions, feeding through into the Comprehensive Performance Assessment, will also provide a regular means of checking quality. In addition, we have the option—though not to be over-used—of small-scale thematic surveys of individual services in a number of local areas to maintain a national perspective on them.

That said, inspection cannot and should not try to cover all services to the same depth and to the same frequency. Careful management and regular review will need to be maintained in order to make sure that, over time, coverage is set at the right level.

Recommendation 5

The report expects Ofsted's role in co-ordinating the inspection of children's services to have an impact upon its size and staffing and advises that additional staffing should be integrated into existing Ofsted structures. We are not anticipating that Ofsted will need to take on more staff to meet the requirements of the Children Bill—although, without the new requirements, and other things being equal, we could have planned to have fewer staff. A full account of the financial implications of Ofsted's role in the inspection of children's services is under discussion with the DfES in the context of the 2005–06 settlement.

The DfES expects that a programme of joint area reviews beginning in September 2005 will cover each children's services authority area by 2008. As far as Ofsted's existing inspections are concerned, the programme will subsume, in reduced form, inspections of local education authority functions (including youth work), Connexions services and provision for 14–19 year-olds in local areas. Currently, these inspections are mostly on a four-year cycle.

Joint area reviews will pull in information from inspections of front-line provision, such as early years, schools and children's homes. Any additional fieldwork necessary for joint area reviews will be carried out by multi-disciplinary teams drawn from the commissions and inspectorates involved. Ofsted does not intend to employ any other staff than its own education and childcare inspectors for this purpose.

The costs of managing the programme of joint area reviews will fall in part to Ofsted, but they will be shared by the other inspectorates and commissions. The introduction of a unified annual performance assessment of council social care and education functions, to be carried out jointly by Ofsted and CSCI, will rationalise existing arrangements, which involve the DfES team of education advisers.

The new arrangements should not add to existing performance assessment costs, although the greater involvement of HMI will have implications for Ofsted. The new integrated approach will build on existing joint working among the inspectorates and commissions, for example on the coverage of children's safeguards, led by CSCI, and on the inspection of secure accommodation for young people, led by HM Prisons Inspectorate.

The re-organisation which Ofsted is now pursuing has been prompted in part by the Children Bill. The planned regional structure is designed to enable school and college inspections to be linked with joint area reviews and annual performance assessment of council functions. Regional teams will be responsible for Ofsted's contributions to joint area reviews and annual performance assessment. The national work needed will be organised by a small headquarters team reporting to the Education Director, but with strong links with the Early Years Directorate.

School inspections

Recommendation 7

The Committee may wish to know that the response to the consultation on the proposals showed that with regard to the issue of reduced notice, 75% of headteachers and governors;

58% of teachers; and 73% of independent inspectors supported the idea of a shorter notice period. However, while many respondents supported a shorter notice period, there was less support for a very short notice period.

School improvement

Recommendation 8

It is indeed the case that too many schools judged to have serious weaknesses (SW) are subsequently found to require special measures (SM), although they only constitute a minority of the schools placed in the category. In 2003–04, 51 establishments were made subject to SM having been judged at their previous inspection to have SW; however, 149 schools had improved and were removed from the category because they no longer had SW. In other words, of the schools removed from the SW category in 2003–04, almost three times as many had improved as had declined;

Schools with SW are not ‘failing schools’, but a minority become failing schools. Some of the schools that are judged to be failing or likely to fail to provide an acceptable standard of education, and to require SM, do find it difficult to attract high-achieving pupils or well qualified staff, in the short term. However, SM do lead to improvement, and once the process of improvement gathers momentum, schools often find that recruiting both pupils and staff becomes easier. Over 1,231 schools have had SM removed since the system was introduced 11 years ago. Almost 60% of the schools from which SM are removed become good schools by the time they are inspected again two years later. Very few [35 to Easter 2004] have become subject to SM for a second time;

When schools are judged to require SM or to have SW, the LEA is required to prepare a statement of action showing how it will support the school and promote its improvement. This support often plays a key role in helping schools to improve.

Parents

Recommendation 10

Under the pilot inspections for the new system, reliability of the process and of the reports that emerge is ensured in a number of ways. Inspectors report to an agreed framework and have to gather sufficient evidence to make judgements and report on a common evaluation schedule. Judgements are made against criteria and graded on a four point scale. Grade descriptors define the four levels against which grades are made.

Inspections are quality assured in a number of ways. In the pilots, every inspection receives a quality assurance visit. Working instructions are provided to guide the visit and to ensure consistency of approach. In future, a risk assessment carried out by both the contractors and HMI will ensure that all inspections have some form of quality assurance. In addition, HMI will lead 80% of secondary inspections and 20% of primary inspections and will quality assure contracted inspectors with whom they work. Each report is read for consistency and quality.

The new cycle of inspection will move from six to three years. This means that reports will be more regular and pertinent to the current circumstances within the school. In addition, schools will be expected to update their self evaluation form (SEF) on an annual basis. We anticipate that the key judgements within the SEF will be included in the profile which is being developed and consulted on by the DfES.

The new inspection arrangements will result in an inspection report of 4–6 pages. The report should be written in a clear and accessible style. It will be published within three weeks of the inspection taking place. A series of meetings conducted recently with parents in schools receiving a pilot inspection, indicated that quick access to the report is very important to them and that the report they received was clearer and easier to understand than those they had experienced previously.

Policy

Recommendation 11

I welcome the Committee's endorsement of the work I have been doing as HMCI. The Chief Inspector's visibility ensures that education and care issues continue to be given significant attention in the wider public domain.

Ofsted's work in relation to the inspection of children's services, carried out with other inspectorates is a vital new responsibility. As the Committee suggests, our work in this area will give an early indication of how successfully local services are meeting the needs of children and young people. Certainly, Ofsted's impact has been felt on previous occasions when it has undertaken new inspection responsibilities, for example in local education authorities and colleges, and its work has undoubtedly helped to lever up standards.

Early years: disclosure of information

Recommendation 12

The DfES has consulted on new regulations earlier this year which would result in more information being available to parents and the public about complaints. The DfES consulted on:

- new 'disclosure' regulations which will place a duty on Ofsted to give parents information on request about the childcare provider they use;
- amendments to the regulations supporting the National Standards for Day Care and Childminding which will place a duty on childcare providers to keep a record of complaints.

The DfES has said that it is looking to put these regulations before Parliament this autumn and it is likely that we will have more news on this in the coming weeks. In addition, Ofsted is proposing to include, from 1 November 2004, a section in inspection reports summarising complaints about childcare providers in the period since their last inspection.

Satisfactory

Recommendation 13

Schools need to be clear what is expected of them and the criteria which inspectors use needs to be transparent and in the public domain. This is particularly important as schools will need to use the guidance to help them to complete their self evaluation form (SEF).

As has been explained previously, inspectors make their judgements against an inspection schedule. The inspection schedule for schools will go to consultation, along with the schedule for colleges of further education, on 1 November. This schedule covers the four key areas within the 1996 Act:

- standards achieved;
- quality of education;
- leadership and management;
- spiritual, moral, social and cultural development;

and will also encompass the five outcomes within the Children Bill. Together they form the basis for the guidance inspectors use to inspect schools. Ofsted is moving from a seven to a four point scale for judging all aspects of the school. The guidance sets out clearly the judgements inspectors will make and how they will be arrived at. Recording statements have been devised which define the four levels against which judgements will be made in the key areas of the inspection schedule. The inspection schedule, guidance and all the other instruments inspectors use will be available to schools and others on the Ofsted website.

Ofsted recognises that the new inspection arrangements, although they build on ten years of successful experience, have significant differences from the current arrangements. A dissemination strategy has been put in place through which we can keep schools, LEAs and other stakeholders up to date with developments, and we are conducting over 100 pilot inspections with schools to test our methodology extensively.

A new relationship with schools

Recommendation 14

Whilst the Committee's endorsement of our new approach is welcome, it is important to stress the many benefits that have accrued from the current system of school inspection which has served the country well over the past 12 years. Of most importance, parents have received independent reports about the performance of the schools attended by their children. Inspection reports have been used by schools to improve their work and inspection instruments devised by Ofsted have also been of immense benefit for the purposes of self-review.

Politicians and civil servants have evidence of both strengths and weaknesses of the education system as a whole and this has helped to inform the future direction of national

policy. Crucially too, failure has been identified and many schools have gone on to improve, beyond all recognition, the quality of the education offered to their pupils.

None of this though should be taken to suggest that the inspection system has been perfect in every way. However, Ofsted has always been open to new ideas and approaches and has modified its work in a number of ways over the years. The advent of a new style of school inspection has only been possible because of the success of the current system. However, it is now right to move to an approach that is both lighter in touch and sharper in focus.

Recommendation 15

Schools that do not know themselves cannot adequately manage themselves. Their planning is at best a shot in the dark. The school's SEF is therefore both a key part of the evidence base for inspectors and a large part of the central nervous system of the school made visible. Where a school possesses inadequate evidence, or makes insufficiently rigorous use of evidence, inspectors will draw conclusions about its management.

Inspectors will, therefore, at all stages of the inspection actively and consciously engage with the school's self-evaluation, involving the school in a dialogue which will lead, not only to a rigorous report on the school, but also to a strengthening of the self-evaluation process itself.

Schools will be expected to keep a SEF updated at least once a year in preparation for inspection. The SEF will be a key document for inspectors and for schools. Ofsted will make available clear guidance for its completion and examples of good practice will be available for schools to draw on.

The SEF is no more than the record of the school's self-evaluation; it does not seek to prescribe the processes whereby the school arrives at the detailed knowledge of itself that is necessary for adequate management and planning. These are matters for the school, and there are many examples of good practice on which schools can draw. Ofsted and DfES will issue guidance on self-evaluation, but at the level of principle, not detailed prescription. The key is that the school's self-evaluation should be based on a rigorous and honest analysis of adequate evidence, which will include the views of parents and of pupils.

In the pilot inspections for the proposed new system, schools were asked to complete a SEF, which they accessed through the Ofsted website. The SEF takes the place of the current forms S1 to S4 and gives inspectors the information they need directly from the school before inspection. It is a 'smart form' so that, after the headteacher has filled in the basic details about the school, the rest of the form contains only questions relevant for that type of school. The latest draft of the SEF has comparatively few, high-level questions for schools to answer, based on the evaluation requirements of the inspection schedule.

The most effective SEFs are evaluative; they set out issues clearly, explain what the school is doing to address them and describe what impact actions are having on pupils

The inspection methodology places self-evaluation at the heart of the inspection. The SEF is the most crucial piece of evidence available to the inspection team. It is used by the lead inspector, along with the previous report and the school PANDA, to develop pre-inspection hypotheses which are used to brief the inspection team, to focus the inspection

and as an agenda for discussion with the senior managers in the school. Given the short notice of the new inspection proposals, the SEF is crucial as it has to provide inspectors with the information they need to understand the context of the school, key strengths and weaknesses and actions the school is taking to develop its strengths and improve its weaknesses.

The collection of evidence throughout the inspection focuses on what is necessary to corroborate the SEF's assertions and explore any differences. Where this has worked best in the pilots there have been regular meetings between the senior management of the school and the inspection team to explore the SEF's assertions and the evidence which has been gathered.

These new shorter inspections shift the balance of accountability between the external inspection process and the school's own judgements. They place a greater onus on the school's own process of self-evaluation to be a professional and objective evaluation of its performance, priorities for improvement, and targets. Where a school's own judgements are found to be partial or inadequate, inspectors will draw conclusions about a lack of quality shown in leadership and management by the school's management team and governing body.

Recommendation 16

The decision to grade LEAs on a seven point scale was made in order to achieve consistency with schools, and in fact, until recent improvements in authorities, the whole scale was in regular use. However, we accept the need for greater simplicity and consistency across all our frameworks and with the practice of other inspectorates. We intend to move to a four-point scale for all of our inspections from September 2005.

Recommendation 17:

As stated above in response to recommendation 16, we intend to move to a common four-point scale for all our inspections from September 2005.

Recommendation 18

We of course agree that there are important and obvious differences between colleges, schools and early years settings. Equally, there are some questions, such as whether learners are achieving as much as they should, which can be asked of all educational institutions. Inspection frameworks should, we think, largely consist of such questions, in order to achieve consistency over time. The framework is the basis for inspection, but not the only instrument. The proper place for dealing with important distinctions between institutions is in the published guidance to inspectors.

Recommendation 19

This point does not only apply to colleges and school sixth-forms, but to all provision 14–19, which is the age-range covered by area inspections. Area inspections have not only been an important catalyst for changes to the configuration of provision in the areas

themselves, but have required inspectors to judge institutions, not just on the basis of the provision they make for their own students, but by their contribution to collaborative work with other institutions in the area. That transition in thinking is by no means complete, as yet, but the work on joint areas reviews (JARs) under children's services is taking it a stage further. The work done on areas 14–19 has been, by general consent, particularly valuable, but it would not be sustainable for Ofsted to run the inspections alongside JARs. Considerable thought is currently being given, with the DfES on how best to ensure that what is most valuable in area inspections is incorporated within JARs.

Recommendation 20

The next cycle of college inspection will be considerably changed, and the changes will largely parallel those for schools. Where there are differences, they are to be accounted for by the greater complexity of the institutions, the need to incorporate within a single inspection visit as much as possible of the remit of the Adult Learning Inspectorate and the much greater incidence of failure among FE colleges, as compared to schools. As for schools, we plan to reduce the notice of inspection, to lighten the touch (by about 50% overall), to move to a three-year cycle, to take more account of self-evaluation and to report more briefly and sharply. Because of the greater vulnerability of colleges, we intend to differentiate the intensity of inspection according to risk and to institute an annual one-day visit by HMI, focused on the college's self-assessment.

David Bell, Her Majesty's Chief Inspector of Schools

Annex

Ethnic breakdown of Ofsted staff by grade (March 2004)

	Ofsted (March 2004)						Civil Service (April 2003)
	White		Non-White		Not Known		Non-White
	No.	%	No.	%	No.	%	%
SCS	31	100%	—	—	—	—	3.2%*
HMI	209	92.50%	11	4.90%	6	2.70%	4.40%
Band A (inc ADM)	106	88.30%	8	6.70%	6	5.00%	
All HMI/Band A	315	91.00%	19	5.50%	12	3.50%	
B1	209	88.90%	17	7.20%	9	3.80%	5.70%
B2	994	86.70%	129	11.30%	23	3.60%	
All B1/B2	1,203	87.10%	146	10.60%	32	2.30%	
B3	219	74.00%	56	18.90%	21	7.10%	8.50%
C1/C2	466	71.50%	135	20.70%	51	7.80%	9.80%
Overall		82.10%		13.10%		4.80%	8.00%

* As at 1 October 2003

Gender breakdown by grade

	Ofsted (April 2004)				Civil Service (April 2003)	
	Male		Female		Male	Female
	No.	%	No.	%	%	%
SCS	18	58.10%	13	41.90%	72.3%*	27.70%
HMI	129	55.60%	103	44.40%		
Band A (inc ADM)	54	45.00%	66	55.00%	70.60%	29.40%
All HMI/Band A	183	52.00%	169	48.00%		
B1	47	20.00%	188	80.00%		
B2	104	9.10%	1,042	90.90%	60.90%	39.10%
All B1/B2	151	10.90%	1,230	89.10%		
B3	112	37.80%	184	62.20%	45.30%	54.70%
C1/C2	191	29.30%	461	70.70%	37.40%	62.60%
Overall		24.20%		75.80%	47.70%	52.30%

* As at 1 October 2003

Ofsted staff with a disability (as defined by the Disability Discrimination Act)

	Ofsted staff with a disability (April 2004)		Civil Service staff with a disability (April 2003)
	No.	%	%
SCS	1	3.20%	1.7%*
HMI	5	2.20%	
Band A (inc ADM)	4	3.30%	2.60%
All HMI/Band A	9	2.60%	
B1	15	6.40%	
B2	85	7.40%	3.20%
All B1/B2	100	7.20%	
B3	5	1.70%	4.30%
C1/C2	23	3.50%	4.00%
Overall	138	5.10%	3.60%

* As at 1 October 2003

Appendix III

List of conclusions and recommendations from the Sixth Report from the Education and Skills Committee, Session 2003–04, HC 426.

The work of Ofsted in 2003–04

1. This report comes at an important time for Ofsted. Our aim is to scrutinise the growing role of the inspectorate as it expands into new areas; to judge whether Ofsted is the appropriate body to undertake the inspection of these sectors, and to comment on its approach from the evidence we have been given. We are also concerned to monitor the implementation of Ofsted's recent strategic proposals, both in children's services and in school inspection and reporting, which has been its core work for over a decade. Ofsted must now ensure consistency of judgement across many different types of institutions catering for a variety of age groups. It must also show that its inspections are making a significant contribution to improvement in the settings it inspects and thus demonstrate value for money.

Growth of Ofsted's responsibilities

2. Ofsted is now the size of a small Government department and is set to grow again in the future, following its assumption of lead responsibility for the inspection of children's services. This expansion must be carefully managed and monitored to ensure that there does not come a point at which Ofsted becomes too large to be managed effectively as single organisation. Ofsted should take lessons from its recent internal staff survey when considering future staff changes and alterations to its managerial structure.
3. In last year's report, *The Work of Ofsted 2002-03*, we expressed our concerns that Ofsted's new duty under the Race Relations Act had failed to permeate hearts and minds throughout the inspectorate. We are satisfied the inspectorate has made progress in this area through the training of staff, but greater effort is required to make progress in changing the profile of staff recruited to Ofsted.

Every Child Matters

4. We agree with HMCI that a sound and reliable inspection regime will be vital to the reform of children's services set out in the Green Paper *Every Child Matters*. The difficulties inherent in this project must not be elided. Ofsted faces a considerable challenge in developing an inspection regime that is thorough and fit for purpose, yet does not impose too great a burden on services which are themselves coping with a major transformation. Particular difficulties may result from the inspectorate's decision to be "proportionate to risk" by focusing on services identified as most in need of scrutiny. While this strategy may streamline the inspection process, it must be carefully managed to ensure that standards are maintained in all services for children and young people.

5. The further expansion of Ofsted's role to incorporate the coordination of inspection for children's services will have an impact upon the scale and staffing of the inspectorate. It is important that this addition is integrated into the existing Ofsted structures.

Value for money

6. Government services are increasingly coming under pressure to meet stringent efficiency targets. Given this climate, we are surprised that it has taken so long for Ofsted to publish a review of its efficiency levels and costs. We welcome the publication of the self-assessment review *Improvement through inspection*, the inspectorate's first attempt to quantify its impact and cost-effectiveness. We shall return to this matter in November this year, when we hope to explore with HMCI the potential for Ofsted to develop its first self-assessment document into a more rigorously quantified evaluation.

School inspections

7. The proposals for a 'new relationship with schools', discussed in detail later in this report, are a welcome development, especially as they are intended to alleviate pressure on schools to spend an extended period preparing for inspection.

School improvement

8. Instead of improving, failing schools can fall into a vicious circle, or 'spiral of decline', whereby they are unable to attract high-achieving pupils or well qualified staff.
9. The value of inspection is diminished if it is not coupled with advice. Whilst it is very important that Ofsted continues to identify schools that are not offering good quality education, the DfES should ensure that schools which receive negative Ofsted reports are guaranteed to receive support from LEAs as well as other agencies such as the local Learning and Skills Council (LSC), giving failing schools a real opportunity to improve.

Parents

10. We urge Ofsted to devote particular attention to maintaining the reliability of its reports as it moves towards a new inspection framework. We are also concerned that Ofsted reports sometimes provide an outdated assessment of a school, which may have achieved significant improvement since its last inspection. When championing its reports as a source of information for parents and others, Ofsted should not disguise the limitations of the inspection process, which can only provide a snapshot of a school's development at one particular time.

Policy

11. The high profile and activity level of Ofsted under its current HMCI should continue and even expand in future, particularly as the inspectorate takes on its new responsibilities for children's services under the proposals of the Every Child Matters Green Paper. This is a particularly sensitive sector where Government policy is emerging, and an area where Ofsted has the potential to add value not only through the inspection of individual institutions, but also through the publication of reports taking a broader overview of particular services.

Inspection and reporting

Early years: disclosure of information

12. We welcome recent developments that allow Ofsted to share information more widely in the case of complaints against childcare providers. We urge HMCI to pursue his discussions with the DfES on the possibility of changing the law so that information on complaints is routinely recorded and included in inspection reports.

Satisfactory

13. We consider that Ofsted has now clarified what is expected of schools in terms of 'satisfactory' teaching. We hope that Ofsted has learnt from this experience that schools and school staff need to know exactly what is expected of them and the criteria against which they will be measured. It is important that this information is set out publicly in a clear and explicit form. We further hope that Ofsted will follow this model when informing institutions about the new inspection arrangements it proposes to implement.

A new relationship with schools

14. The new inspection regime proposed by Ofsted responds to many of the deficiencies of the current system that we have identified in recent years and is to be warmly welcomed.
15. Regular and honest self-evaluation is a hallmark of a well run institution. Ofsted's proposals to encourage all schools to make it part of their normal routine are therefore welcome. Our evidence has highlighted the sensitive nature of the self-evaluation process. Self-evaluation structures must be robust in detecting areas for improvement, yet schools must not be punished for identifying weaknesses where they have developed and implemented plans to deal with these problems. We look forward to seeing more detailed proposals on self-evaluation from Ofsted, which must address the sensitive nature of this procedure.
16. It is not clear to us why LEAs need to be graded on a seven-point scale, whereas day care providers can be accurately assessed according to a much less sophisticated three-point scale.

17. We agree with Ofsted that there is merit in developing a more consistent grading system across different types of inspection. A common currency would make terms like 'satisfactory' much less confusing and much more accessible to all.
18. A consistent inspection framework should not do away with distinctions which are necessary to ensure that the inspection system is fit for purpose.
19. We understand that Ofsted is developing a new framework for post-16 inspections and we urge HMCI to consider carefully how this framework will join up with area inspections, for which it has only recently instituted a new regime. Ofsted's judgement of school sixth forms and other post-16 institutions must take account of the collaborative setting in which they are now expected to work.
20. Despite repeated reassurances from HMCI that work is in hand, it is not clear from published documents whether the changes to school inspection outlined in *The Future of Inspection* will be matched by reforms to the inspection regime in the college sector.